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C O N F I D E N T I A L SECTION 01 OF 02 BEIRUT 002072

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TAGS: [EFIN](#) [IR](#) [KISL](#) [LE](#) [PGOV](#) [PTER](#) [SY](#)
SUBJECT: MGLE01: SOME SHIA LOOK FOR A WAY TO ESCAPE CLIENT
RELATIONSHIP WITH HIZBALLAH

Classified By: Ambassador Jeffrey D. Feltman. Reason: Section 1.4 (d).

SUMMARY

1. (C/NF) In a June 21 meeting with econoff and FSN political specialist, independent Shia intellectual Mohammad Obeid said he is trying to reform Nabih Berri's Amal movement from the inside. He wants to take advantage of growing discontent over Speaker Berri's perceived sell-out of the movement to Hizballah and Iran. According to Obeid, Berri has made Amal a subsidiary of Hizballah in exchange for retaining the Speakership and for monetary favors from Iran. Obeid sees reforming Amal as a better option for challenging Hizballah's hold on the Shia community than attempting to form a third party. He wants to tap into the segment of the Shia community that leans towards secularism, Arabism, and the teachings of the Imam Musa Sadr. Obeid is realistic, however, about the challenges ahead. He reports that there is a growing cult of personality around Hizballah Secretary General Hassan Nasrallah, that young Shia are flocking to Hizballah, and that Hizballah may be Lebanon's second largest employer. End summary.

BERRI SELLING OUT AMAL
TO HIZBALLAH AND IRAN

2. (C/NF) On June 21, econoff and FSN political specialist met with independent Shia intellectual Mohammad Obeid. Obeid said he and other independent Shia intellectuals are attempting to reclaim the Amal movement from its leader, Speaker of Parliament Nabih Berri. Obeid has detected growing frustration from Amal members, especially the older ones, at Berri's apparent willingness to allow Amal to be absorbed by Hizballah. Amal no longer acts as its own movement, according to Obeid. He, like other witnesses, saw Amal members participating in the June 1 riot over a satire of Hizballah Secretary General Hassan Nasrallah. Young Amal supporters are joining Hizballah ranks in large numbers.

3. (C/NF) Obeid blames the deterioration of Amal on Berri's deal with Hizballah. Berri is firmly in power as Speaker as long as he supports the Amal-Hizballah alliance with Amal the junior partner. There is a perception in Amal that Berri gave away everything to Hizballah in exchange for Hizballah's support, according to Obeid. Berri, who is currently in Switzerland, is seen as apathetic to the success of the Amal Movement.

4. (C/NF) Berri is also motivated by money, according to

Obeid. He learned that on Berri's last trip to Iran he received a lump sum of USD 4 million to supplement the USD 200,000 monthly stipend he already receives from Iran. In addition, Obeid reported that the Iranian government facilitated a USD 175 million investment in a cement factory in Iran by Berri and business partner Abbas Fawaz, a Lebanese Shia who got rich in West Africa. Now, Berri has a vested interest in keeping Iran happy.

BETTER TO REFORM AMAL
THAN ATTEMPT THIRD PARTY

¶5. (C/NF) Obeid said that he and other independent Shia are contacting Amal members to reform the party and bring it back to a secular, open-minded party. He wants to return to the movement's roots: the teachings of the Imam Musa Sadr. Sadr was an Arabist, Obeid pointed out, and would not have supported Amal's shift to Hizballah and its Iranian patrons. Obeid explained that although most Amal members are not anti-Hizballah, they do not want to be a part of Iranian foreign policy. Obeid added that in a recent trip to Damascus, he got the sense that the SARG was not thrilled that Berri was moving ever closer to Hizballah and Iran.

¶6. (C/NF) Obeid viewed reforming Amal as a more viable option for secular, moderate Shia than attempting to form a third party. Previous attempts have failed miserably, such as the Mufti of Sidon's Shia National Gathering, and the candidacies of Ali Sabra Hamadeh, Ahmad al-Asad, and Riad al-Asad in the 2005 parliamentary elections. There is a base of Amal members who want to return to Amal as it was in its early days. There is also a base of Shia who prefer the open-mindedness of Amal on social and religious issues. In

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some cases, local Hizballah officials pressure women to wear the hijab. There is no physical threat, but they spread unpleasant rumors about uncovered women.

HIZBALLAH REMAINS STRONG

¶7. (C/NF) Obeid then gave a sobering review of the challenges facing Shia competitors to Hizballah. First, Shia are rallying around Hizballah because they feel under siege. They feel targeted by the USG and by Saad Hariri and Walid Jumblatt, who want to rob them of their victory against Israel. Second, not only is Hizballah's popular support growing, so is the cult of personality around Nasrallah. Obeid said he saw an unpublished poll by Abdel Saad (father of Hizballah expert Dr. Amal Saad-Ghorayeb) that showed 90 percent of Shia believing Nasrallah is their leader. Berri and others accounted for the other 10 percent. Saad could not publish his poll out of fear of retribution by Berri, according to Obeid. Third, demographics is on the side of Hizballah. The younger a Shia is, the more likely he or she supports Hizballah. Obeid estimated that Hizballah would sweep all elections in the south--even if opposed--if the voting age was lowered to 18. Hizballah has really captured the imagination of Shia youth through early recruitment, according to Obeid.

¶8. (C/NF) Hizballah had another real advantage, according to Obeid, in that it had about 40,000 employees on its payroll, including political, social, and military officials. Obeid estimated that this would make Hizballah the second largest employer in Lebanon after the government, which employs approximately 150,000 employees. Obeid said that the average monthly salary for a Hizballah employee must be at least USD 400 a month. If Obeid's estimate is accurate, Hizballah spends at least USD 192 million a year just on salaries.

¶9. (U) For comparison, econoff contacted Statistics Lebanon, a private marketing research firm. According to

Statistics Lebanon, the five largest private employers in Lebanon are Allied Graphics with 4,750 employees, C.A.T. International Limited with 3,438 employees, Almagani Liban with 2,400 employees, Ogero Telecom with 2,802 employees, and Mothercat Limited with 2,625 employees.

COMMENT

¶10. (C/NF) Obeid's information on the problems within Amal and the strength of Hizballah is consistent with what other Shia contacts have been telling us. His estimate of the size of Hizballah's payroll is close to other estimates we have heard. End comment.
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